SUMMONS IN ACTION—CIRCUIT COURT

STATE OF TENNESSEE

Circuit Court of Greene County
AT GREENEVILLE

EXHIBIT
A

Hurd Corporation, Plaintiff

vs.

Perry Johnson Registrars, Inc., Defendant

Civil Action
Case No. 04CV436
SUMMONS

Please see back for the automatic injunction which becomes effective upon the filing of a complaint for divorce.

To the above named Defendant(s): Perry Johnson Registrars, Inc.
26555 Evergreen Road, Ste. 1340
Southfield, MI 48076
May be served through C.T. Corporation, 530 Gay Street, Knoxville, TN 37902

You are hereby summoned and required to serve upon Mary Moffatt Helms,
Plaintiff's attorney, whose address is PO Box 1066, Morristown, TN 37816-1066
an answer to the complaint which is herewith served upon you within thirty (30) days after service of this summons upon you, exclusive of the day of service. If you fail to do so, judgment by default will be taken against you for the relief demanded in the complaint.

Issued this 24 day of May, 2004, at 4:10 o'clock ~~a.m.~~ / p.m.

Gail Davis Jeffers, Clerk

By D. Justis, Deputy Clerk

Received this ______ day of ____________, ______.

____________________, Deputy Sheriff

RETURN ON SERVICE OF SUMMONS

I hereby certify and return that on the 26th day of May, I served this summons together with the complaint as follows: Hand delivered to Pearson at CT Corporation agent for Perry Johnson Registrars Inc

failed to serve this summons within 30 days after its issuance because

____

STATE OF TENNESSEE, GREENE COUNTY
I, Gail Davis Jeffers, Circuit Court Clerk (Circuit, Criminal, Sessions, Juvenile) do hereby certify that the foregoing is a true and exact copy of the original Summons in the above styled case, as the same appears of record on file in my office.
WITNESS my hand and official seal of office, in Greeneville, Tennessee, this 24 of May, 2004
Gail Jeffers / D Justis
Circuit Court Clerk

[signature], ~~Deputy Sheriff~~ Process server

Service is hereby accepted by Defendant, ____________________, this the ______ day of ____________, ______.

Witnessed by

Clerk/Deputy Clerk

COPY

IN THE CIRCUIT COURT
FOR GREENE COUNTY TENNESSEE
AT GREENEVILLE

HURD CORPORATION,	)	
Plaintiff,	)	
v.	)	**Case No.:** 04CV436
PERRY JOHNSON REGISTRARS, INC., and	)	
PERRY JOHNSON, INC.	)	
Defendants.	)	

FILED
Time________
MAY 24 2004
CIRCUIT COURT CLERK

COMPLAINT

The Plaintiff, **HURD CORPORATION,** hereby states the following in support of its Complaint against the defendants and would show unto the court the following:

1. Plaintiff, Hurd Corporation, ("Hurd") is a corporation incorporated under the laws of the State of Tennessee having its principal place of business in the State of Tennessee and is located at 503 Bohannon Avenue; Greeneville, TN 37744.

2. Defendant Perry Johnson Registrars, Inc. ("PJRI") is located at 26555 Evergreen Road, Suite 1340; Southfield, MI 48076; Defendant Perry Johnson, Inc. ("PJI") is located at 26555 Evergreen Road, Suite 1300; Southfield, MI 48076 (collectively "defendants"). Defendants are corporations incorporated under the laws of the State of Michigan and both may be served through C. T. Corporation System, 530 Gay Street, Knoxville, Tennessee 37902. At all times material hereto, Defendants have been doing business in the State of Tennessee either directly or indirectly and through their agents and/or sub-agents.

3. Defendant PJRI is organized for the purpose of auditing corporate quality systems and registering its corporate customers with the appropriate certification group. Defendant PJI is organized for the purpose of providing pre-audit assessments of quality systems and pointing out any weaknesses to help the client conform to applicable standards for its quality systems audit.

4. Hurd hired Defendant PJRI and Defendant PJI to perform a pre-assessment and audit of its facility in order to obtain QS 9000/9002 certification. As a result, Hurd and PJI entered into a contract dated August 8, 2000 wherein PJI was to provide services so as to prepare the documentation and other materials for the certification process. A copy of the contract between Defendant Perry Johnson, Inc. is attached as Exhibit 1. The total fixed price for this contract ("Agreement to Retain the Services") was $37,700.00, plus expenses, all of which was paid by Hurd.

5. Thereafter, on April 3, 2001, Hurd and Defendant PJI entered into an Agreement wherein PJI agreed to conduct internal audit, on-site consultation and other services necessary to meet the certification standards necessary for Hurd to obtain the QS-9000 w/9002 certification. The total cost for the services to be performed by PJI under this Agreement was $14,400.00, plus expenses, all of which was paid by Hurd. A copy of the "Instant Registration and Maintenance Agreement" dated April 3, 2001 is attached hereto as Exhibit 2.

6. Hurd Corporation chose Perry Johnson Registrar to assist it in completing the registration process. PJRI agreed to assist Hurd in the certification registration process for its QS9002 certification. Attached as Exhibit 3 is a letter dated September 20, 2000 from Terry Boboige, president of both PJRI and PJI "congratulating" Hurd Corporation on its selection of Perry Johnson Registrars, Inc. to assist it in the certificate registration process. Hurd selected PJRI and PJI to provide the consultation services in August of 2000 based on representations from defendants'

representatives that PJRI would also be able to provide certification and registration services with respect to the QS 9000/9002 process and continuing services thereafter. Hurd reasonably relied on the representations of Defendants' representatives.

7. In approximately February 2002, Hurd obtained the QS 9000/90002 certification with a certificate number C2002-00278. Thereafter, defendants performed related services for Hurd corporation as follow-up to the consultation and certification process, for which Hurd paid defendants a substantial sum of money.

8. In a letter dated May 27, 2003, Defendant Perry Johnson Registrars, Inc., through its president, informed Hurd that its ISO/QS 9000 certificate was being revoked because of the relationship between PJI and PJRI as related entities. Defendant PJRI in its letter of May 27, 2003 advised Hurd that its inspection was invalid because the Defendants, PJRI and PJI, were considered related bodies by ANSI-RAB, the accreditation body for the certification process. Upon information and belief, PJRI and PJI are related and affiliated entities and have at least one common owner. A copy of the letter is attached hereto as Exhibit 4.

9. Defendants' actions have caused serious harm to Hurd. Hurd incurred substantial expenses in obtaining the Defendants' services, and spent substantial time in assisting defendants in the consultation and certification process. The revocation of Hurd's QS9000 certification has caused substantial interference and inconvenience to its business activities. Hurd has also been required to obtain the services of other entities to assist in the re-certification process, which has resulted in additional expenses to Hurd to obtain the certification which the Defendants were engaged to provide.

10. The Defendants held themselves out to Hurd as being able to and capable of performing the

services agreed to and contemplated between the parties, as reflected from the contracts attached hereto as Exhibit 1 and 2. Hurd reasonably relied on the misrepresentations of the Defendants and was damaged as a result thereof. Without regard to truth or falsity, Defendants knowingly and/or recklessly made these representations of material facts fraudulently and failed to advise Hurd of the relationship between PJIR and PJI, and/or that the relationship was such that it would create a potential problem with Hurd's certification registration. Defendants knew or should have known that Hurd would rely on these misrepresentations, which were made knowingly or recklessly without regard to their truth or falsity.

11. Hurd reasonably relied on Defendants' representations that PJIR and PJI could provide Hurd both the consultation services and the registration services for the ISO/QS 9000/9002 processes, in addition to continued services, including but not limited to, surveillance and follow-up activities related to maintenance of the ISO/QS 9000/9002 certification. Based on this reasonable reliance, Hurd paid substantial sums of money to Defendants to accomplish the certification and registration process, which was later revoked by Defendants. As a direct and proximate result of Defendants' actions and misrepresentations, and Hurd's reasonable reliance on Defendants' statements, Hurd has been economically injured. As a result of the revocation, Hurd has incurred substantial losses which Hurd is entitled to recover from Defendants due to the their breach of contract, their willful and gross negligence, fraudulent inducement, breach of duty of good faith and fair dealing, breach of warranties. In addition, Hurd is entitled to treble damages and attorneys' fees against Defendants as a result of their unfair and deceptive trade practice.

BREACH OF CONTRACT

12. Hurd incorporates by reference all of the allegations set forth in paragraphs 1-11 set forth

above.

13. In its letter of May 27, 2003, Defendants revoked the ISO/QS 9000/9002certification which was obtained by Hurd through the consultation and certification processes and services pursuant to the August 8, 2000 and April 3, 2001 Contracts attached hereto as Exhibits 1 and 2. By failing to provide the agreed-upon services to Hurd, for which PJRI and PJI received compensation, and by revoking the ISO/QS 9000/9002 Certification of Hurd, PJRI and PJI have breached the respective Contracts.

14. Hurd has paid the Defendants a total of approximately $82,420.00 in connection with the consultation and certification process, pursuant to the Contracts dated August 8, 2000 (Exhibit 1) and April 3, 2001 (Exhibit 2) and in related services performed by Defendants following Hurd's receipt of the QS 9000/9002 certification. In addition, Hurd has incurred costs in connection with the process in expenses and non-productive employee time required for the certification and consultation processes, all of which are lost as a result of Defendants' actions and/or omissions. These additional expenses totaled approximately $13,000.00, for a total cost of the consultation and certification process to Hurd of approximately $95,000.00.

15. Defendants' revocation of Hurd's certification constitutes a breach of the Contracts between the parties. Due to Defendants' breach and revocation of the Certification, Defendants are liable to Hurd for all monies paid to them by Hurd as result of the breach of their Contracts. In addition, Defendants should be held liable to Hurd for the expenses and losses Hurd has incurred as a result of the Defendants' revocation of the ISO/QS certification, such as, but not limited to, lost employee production time and other expenses as may be established at trial.

16. Based on Defendants' actions, Hurd is entitled to a rescission of the contracts with

Defendants and a return of all funds paid to them by Hurd pursuant to said contracts. In addition, or in the alternative, Defendants should also be held liable for damages and losses resulting for the breach of contract and held liable to Hurd for all expenses incurred as a result thereof including said payments to Defendants and expenses in connection with the certification and re-certification processes, based on the foregoing, and as the contract certified Defendants would be able to help Hurd attain and maintain certification in the future, which Defendants have failed to do.

NEGLIGENCE/GROSS NEGLIGENCE

17. Hurd incorporates by reference all of the allegations set forth in paragraphs 1-16 set forth above.

18. Defendants, through their authorized representatives and agents, owed a duty to Hurd to supply accurate information regarding their respective abilities to perform the services promised and contracted to Hurd. Defendants supplied inaccurate and fraudulent information to them concerning Defendants' capabilities. Defendants failed to advise Hurd of the limitations on their respective abilities to engage in certification process due to their affiliation. Defendants, acting through their authorized representatives and agents, by making these representations, failed to exercise reasonable care in obtaining or communicating such information and representations.

19. Defendants should be liable for negligent misrepresentation, as they misrepresented their ability to perform the agreed upon services, including but not limited to pre-audit assessment and actual audit, and should be held liable for actual damages suffered by Hurd.

20. Hurd reasonably relied on the information and representations concerning Defendants, to its detriment and was damaged thereby entitling Hurd to the recovery of compensatory damages from the Defendants for such negligence/gross negligence.

BREACH OF WARRANTY

21. Hurd incorporates by reference all of the allegations set forth in paragraphs 1-20 set forth above.

22. Defendants are "merchants" as defined in Tennessee Code Ann. §47-2-104(1) and the Contracts between the parties constitute contracts for sale as defined in Tennessee Code Ann. §47-2-106. Pursuant to Tennessee Code Ann. §47-2-312, §47-2-313 Defendants have breached their warranties to Hurd with respect to the goods they provided to Hurd. As a result of said breach, Defendants are liable to Hurd for the actual expenses incurred as a result of said breach, as well as for the incidental and consequential damages incurred by Hurd in connection with said breach, including but not limited to the payments made by Hurd for the certification process, as well as the expenses and losses of lost production time in connection with the services initially performed by Defendants as well as the lost production time which resulted from the re-certification process, all of which to be established at trial.

23. As a result of Defendants' breach, Hurd was required to procure re-certification for ISO/QS purposes. Hurd is entitled to judgment against Defendants in an amount equal to the cost of the re-certification process, as well as the costs and expenses and lost employee production time in connection therewith as a result of Defendants' breach of said warranties.

FRAUD/INTENTIONAL MISREPRESENTATION

24. Hurd incorporates by reference all of the allegations set forth in paragraphs 1-23 set forth above.

25. Defendants knew, had reason to know, or should have known that their representations to Hurd were not accurate or truthful. Hurd reasonably relied on Defendants to provide certification

services to Hurd. As a direct and proximate result of Hurd's reasonable reliance, Defendants' failure to deliver the services as contracted for between the parties, the revocation of the ISO/QS certification, and Defendants' misrepresentations as to their ability to perform the services promised to Hurd, Hurd has been damaged. As a result of the foregoing, Defendants' actions constitute actual fraud and fraudulent inducement to enter into contractual relations.

26. Defendants are liable to Hurd and should be required to reimburse Hurd for all monies Hurd has paid to Defendants, plus damages for expenses, lost production time and additional costs resulting from said fraudulent actions. In addition, as a result of said fraudulent actions, Hurd is entitled to recover punitive damages from the Defendants in an amount to be determined by the Court.

BREACH OF DUTY OF GOOD FAITH AND FAIR DEALING

27. Hurd incorporates by reference all of the allegations set forth in paragraphs 1-26 set forth above.

28. The contracts between Hurd and Defendants contained an implied covenant of good faith and fair dealing. Hurd has sustained substantial economic losses and damages as a direct and proximate result of Defendants actions and omissions. Defendants' actions set forth above constitute a breach of Defendants' duty of good faith and fair dealing to Hurd by failing to act in good faith towards Hurd with respect to the services contracted for and the contracts entered into between the parties, by fraudulently and/or negligently or recklessly making material misrepresentations to Hurd, and by breaching said contracts, thus entitling Hurd to damages in connection with and resulting from Defendants' actions and breach of said duties.

TENNESSEE CONSUMER PROTECTION ACT

29. Hurd incorporates by reference all of the allegations set forth in paragraphs 1-28 set forth above.

30. The Defendants each constitute a "person" and are engaged in trade and/or commerce within the meaning of the Tennessee Consumer Protection Act, at Tennessee Code Annotated §47-18-103(9) and (11). Hurd is a consumer protected by the Tennessee Consumer Protection Act.

31. Defendants actions as described above constitute unfair or deceptive acts prohibited by the provisions of the Tennessee Consumer Protection Act as Defendants represented to Hurd they were able to perform certain functions and services and accepted payment from Hurd for the services performed, but later revoked the ISO/QS 9000/9002 certification provided to Hurd. Defendants have not provided Hurd any reimbursement for the payments received for the certification process, despite being requested to do so by Hurd, and Defendants should be held liable for treble damages under the Tennessee Consumer Protection Act.

32. The unfair and deceptive actions of Defendants were committed willfully and with knowledge of said deception, so as to entitle Hurd to an award of treble damages pursuant to the Tennessee Consumer Protection Act. Hurd's expenditure of reasonable and necessary attorneys' fees and costs relating to Defendants' violations herein described entitle Hurd to an award for said attorneys' fees and costs.

WHEREFORE, premises considered, Plaintiff prays from judgment against Defendants, jointly and severally, as follows:

1. For all damages as alleged herein, including:

A. The amounts paid to Defendants by Hurd pursuant to the Contracts entered into between the parties and for all services rendered to Hurd by Defendants in an amount to be established at a trial of this matter but no less than $95,000.00;

B. For economic losses and damages suffered by Hurd as a consequence and result of Defendants' actions described herein, including damages to its business relationships, loss of goodwill, and expenses and non-productive employee time required for the certification and re-certification process, in an amount to be established at trial;

C. Punitive or exemplary damages as set forth herein in compensation of Defendants' fraud and gross negligence and other factors creating a right to such damages;

D. Treble damages awarded pursuant to the Tennessee Consumer Protection Act;

E. Attorneys' fees and costs of proceedings;

F. For such other general and further equitable relief to which Plaintiff may show entitlement, including but not limited to punitive and/or treble damages; and

G. A trial by jury.

Respectfully submitted this 24th day of May, 2004.

HURD CORPORATION, Plaintiff

[signature]

William R. Seale, BPR #5275
Mary Moffatt Helms, BPR #12729
Kelly A. Campbell, BPR #13146
Wimberly Lawson Seale Wright & Daves, PLLC
929 West First North Street
P.O. Box 1066
Morristown, TN 37814
1-423-587-6870

COST BOND

We acknowledge ourselves as principal and surety for all costs and taxes in this case in accordance with Tenn. Code Ann. Section 20-12-120.

Mary Moffatt Helms, BPR #12729
Wimberly Lawson Seale Wright & Daves, PLLC
Attorneys for Plaintiff, Hurd Corporation

AGREEMENT TO RETAIN THE SERVICES OF PERRY JOHNSON, INCORPORATED

Perry Johnson, Inc. (PJI) proposes to provide training and/or consulting for **Hurd Corporation, 503 Bohannon Ave., Greenville, TN 37744,** in the:

☐ ISO 9000 ☐ ISO 9002 ☐ QS 9000 w/9002 ☐ TE Supplement ☐ VDA 6.1 ☐ ISO/IEC 17025
☐ ISO 9001 ☐ ISO 9000:2000 ☐ QS 9000 w/9001 ☐ AS 9100 ☐ ISO 14000 ☐ TL 9000 ☐ 15408

[illegible] supporting documentation as detailed below. The documentation may include quality manuals and procedures as needed.

The cost for these services is detailed below.

Description of Service - A to Z Finishing Program	
Management Overview Benchmark Audit ~~Audit/Update Quality Manual to meet QS 9000 standards~~ Audit/Update Procedures to meet QS 9000 standards Implementation Assistance Conduct Initial Internal Audit Lead Auditor Training - Public Seminar - 2 Participants	Contract for Preparation For Certification bgc
Total Fixed Price	**$37,700.00***

*Plus expenses. *Not all days done on-site.

PJI is responsible for preparing the documentation listed above so that it meets the requirements of the standard. PJI is not responsible for misinformation provided by the client's employees. Because PJI relies on information provided by the client's employees, it is the client's responsibility to ensure that documentation accurately reflects the system as the client has implemented it, or plans to implement it. PJI cannot be responsible for the implementation of the quality system described in the manual and associated procedures, or for the timing of client's registration to the standard. The sole responsibility for implementation rests with the client's management. In addition, PJI is not responsible for any defects or quality problems in client's products, designs, specifications or manufacturing processes, or for damages resulting from the timing of the client in achieving registration.

The proposed work represents a joint effort on the part of several PJI professionals. Therefore, 50 percent of the total, representing **$18,850.00**, must be paid in advance so that resources may be allocated. An additional 30 percent, $11,310.00 is due and payable upon delivery of the first draft. Client has 2 weeks to request any changes. Should no changes be requested, the first draft becomes the final draft. The remaining 20%, **$7,540.00**, is due and payable upon completion and delivery of the final draft of the documentation in hard copy and disk form. The client may choose from the following software: WordPerfect (*.wpd), Microsoft Word for Windows (*.doc) or Microsoft Word (*.rtf). The client should specify which software they prefer before any documentation is written.

PJI retains the copyright of the Policy Manual and Procedures Manual until such time as final payment is received. Client agrees not to hire any PJI employees working on this project for 24 months after its completion. Should the client violate this restriction, it must pay PJI $100,000.00 in liquidated damages.

It is understood that work is to commence on (to be determined). All technical material, such as existing quality manuals or work procedures, must be sent to Pam Linick, at Perry Johnson, Inc., 26555 Evergreen, Suite 1300, Southfield, MI 48076, one week prior to the initial visit.

The total cost of this proposal, as outlined above, is $ 37,700.00. By signing and returning this agreement, I authorize PJI to proceed with the work detailed in this agreement.

Signed:

Mike W[illegible] 7/17/00

Representative of PJI Date

Corporate Approval Date

Chris Edwards 8/8/00

Representative of Client Date

Quote based on 200 employees.

Rev. 6/8/99

EXHIBIT 1

INSTANT REGISTRATION AND MAINTENANCE AGREEMENT TO RETAIN THE SERVICES OF PERRY JOHNSON, INCORPORATED

Perry Johnson, Inc. (PJI) proposes to provide instant registration and continuous maintenance for Hurd Corporation, 503 Bohannon, Greenville, TN 37744 in the:

☐ ISO 9001: 1994	☐ ISO 9002	☐ QS-9000 w/9001	☐ TE Supplement	☐ ISO 14000	☐ ISO/IEC 17025	☐ COMP
☐ ISO 9001: 2000	☐ TL 9000	☒ QS-9000 w/9002	☐ AS9100	☐ VDA 6.1	☐ ISO/IEC 15408	standard.

To meet the requirements of the standard being utilized and the individual client, these instant registration and continuous maintenance services will include on-site consulting during registration and surveillance audits, providing responses to nonconformities and internal audits.

The cost for these services is detailed below:

Description of Service**	
Consulting During Registration Audit Conduct Internal Audit Consulting During Surveillance Audit Conduct Internal Audit Address NCR's after all above audits	
Grand Totals	$14,400.00*

*Plus expenses **Some services may be performed off site

Contract for Certification BPS

PJI is responsible for conducting internal audits prior to registration and surveillance audits. PJI is also responsible for providing on-site consulting during registration and surveillance audits. *The price quoted excludes documentation changes required by major revisions in the applicable standard. In addition, PJI is responsible for supplying written corrective actions that are required as a result of nonconformances found during these audits. PJI is not responsible for misinformation provided by the client's employees. Because PJI relies on information provided by the client's employees, it is the client's responsibility to ensure that documentation accurately reflects the system as the client has implemented it, or plans to implement it. PJI cannot be responsible for the implementation of the quality system described in the revised manual and associated procedures. The sole responsibility for implementation rests with the client's management. Client hereby agrees to indemnify, defend and hold PJI, its subsidiaries, affiliates, officers, directors, employees, agents, and consultants harmless from and against all demands, claims, actions, losses, or damages occasioned by any deficiencies in the quality of services or products produced by Hurd Corporation. This indemnification and hold harmless provision includes indemnification for any costs, expenses and attorney fees incurred by PJI in any litigation concerning the quality of services or products produced by Hurd Corporation. The Client acknowledges that PJI is not responsible for quality, nor can it control the quality of products or services of said client.

The proposed work represents a joint effort on the part of several PJI professionals. Therefore, 50 percent of the total, $7,200.00, must be paid in advance so that resources are allocated. This payment is nonrefundable. The remaining 50 percent, $7,200.00, is payable upon completion of the first internal audit after registration. Subsequently, 50 percent will be billed six months after completion of the registration audit, with 50 percent to be billed every six months thereafter. Expenses will be billed as they occur. Terms are Net 30.

Client agrees that PJI will perform instant registration and continuous maintenance services listed above for the price of $14,400.00. Client understands that in order to maintain QS 9002 registration, all continuous maintenance services described above must be performed as scheduled. Additional services are available at a rate of $1,300 per day. The maintenance portion of this contract is automatically renewable, with price increases not to exceed 5 percent per year. Said price increases would be applied to all existing customers. Client may cancel this contract with 30 days written notice. Should this contract be cancelled, PJI retains the deposit of $7,200.00.

If Client postpones, reschedules or cancels any scheduled internal audits under this Maintenance Agreement within 14 days of the agreed upon dates, PJI will charge a fee equal to the greater of 50 percent of the quoted fee, or one day at the per-day rate applicable at that time, PLUS the cost, at the prevailing per-day rate, of any work performed to date, PLUS any non-recoverable travel expenses incurred. These charges are not credited against any subsequent charges incurred by Client.

Client agrees not to hire any PJI employees working on this project for 24 months after its completion. Should the client violate this restriction, it must pay PJI $100,000 in liquidated damages.

Signed:

[signature] 4/3/01
Representative of PJI — Date

[signature]
Representative of Client — Date — Title

PJI Corporate Approval — Date

Rev 2/01

EXHIBIT 2

Perry Johnson Registrars, Inc.

-NOTICE OF PENDING REGISTRATION-

September 20, 2000

Mr. Chris Edwards
General Manager
Hurd Corporation
503 Bohannon Avenue P.O. Box 1450
Greeneville, TN 37744-3451

Dear Mr. Edwards :

Congratulations! You have taken a major, initial step toward achieving your **QS9002** goals.

Your selection of a certified **QS9002** registrar signifies that your company is serious about attaining certification by **July 31, 2001**. This most important decision brings your firm one step closer to demonstrating its commitment to quality, and proving to your customers that **Hurd Corporation** can meet their standards.

Upon completing the registration process, you will be issued an official certificate bearing the seals of the appropriate accrediting bodies. These could potentially be used by your company for advertising, promotional literature and stationary. Thank you for choosing Perry Johnson Registrars as your official **QS9002** registrar. Should you have any questions between now and the time of your assessment, please don't hesitate to call.

Sincerely,

President

ANSI-RAB EMS QMS ACCREDITED
Accredited by the RvA, Dutch Council for Accreditation
JAB QS Accreditation R024
Deutscher Akkreditierungs Rat KBA-ZM-A-00030-98 TGA-ZM-02-99-00
UKAS QUALITY MANAGEMENT 105-A
UKAS ENVIRONMENTAL MANAGEMENT 105-G

26555 Evergreen • Suite 1340 • Southfield, Michigan 48076
Phone: 1-800-800-7910 • (248) 358-3388 • Fax: (248) 358-0882

EXHIBIT 3

Perry Johnson Registrars, Inc.

May 27, 2003

Hurd Corporation
Cindy Duncan
503 Bohannon Avenue
P.O. Box 1450
Greenville, TN 37744-3451

Dear Ms. Duncan,

Thank you so much for making Perry Johnson Registrars your registrar of choice. Your confidence in our ability to successfully audit your company through the ISO/QS 9000 process has been gratifying. It has recently come to our attention that your company has been consulted by Perry Johnson, Inc. According to QS-9000 Third Edition Appendix B:

> *Organizations that have provided quality system consulting services in the past two years to a particular client are not acceptable as certification bodies/registrars for that client, nor may they supply auditors. This restriction includes subsidiaries or affiliates of the same parent company.*

Although Perry Johnson, Inc. is a totally separate company from Perry Johnson Registrars and is not a division or a subsidiary; it is considered a related body by the ANSI-RAB because there is a common owner. Therefore, in accordance with our Agreement of Supplier Quality Management Systems section 9.0, PJR will have to revoke your certificate number C2002-00278 in order to comply with the regulations of the ANSI-RAB (above). Please send back any certificates, flags, banners and plaques that you were issued. I apologize for the inconvenience that this may cause.

I will be more than willing to help facilitate the transfer of your certification over to another registrar. Please let me know if you require any assistance with paperwork or perhaps a recommendation.

I have discussed this matter with our Accreditation Body and they are in agreement with the items outlined above. Please let me know if you have any comments or questions.

Sincerely,

Terry Boboige
President

EXHIBIT
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26555 Evergreen • Suite 1340 • Southfield, MI 48076 • Phone: 1-800-800-7910 • (248) 358-3388 • Fax: (248) 358-0882